

Verne, B. Michael

801.1(b)

From: [REDACTED]
Sent: Friday, November 04, 2011 10:27 AM
To: Verne, B. Michael
Cc: [REDACTED]
Subject: HSR Question

Michael,

We are working on a transaction that involves the sale of 100% of the membership interests of a limited liability company (the "Target LLC"). The membership interests in the Target LLC are currently owned 50% by two individuals, member A and member B. However, there are also options outstanding currently that entitle the option holders to own an aggregate of 10% of the membership interests in the Target LLC once exercised.

Concurrently with the execution of the purchase agreement for the membership interests, each option holder is giving notice of exercise of his option with an effective date immediately prior to the closing. Each option holder will also sign a joinder agreement agreeing to become a seller for all purposes under the purchase agreement.

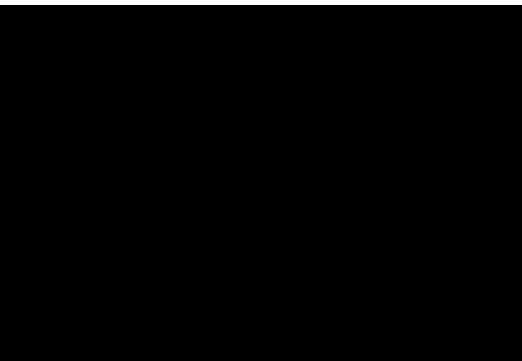
As a result, immediately prior to the closing, the Target LLC will be owned 46% by member A, 44% by member B and 10%, collectively, by the option holders. Upon the effectiveness of the exercise of the options (i.e., immediately prior to closing) each of the members (including the former option holders) will have the right to share proportionately, in accordance with their ownership percentages, in the profits of the Target LLC and in the assets of the Target LLC upon dissolution (or, in this case, to their proportionate share of the sale proceeds).

All of the relevant tests are met, such that an HSR filing will be required. However, we are seeking confirmation from you that it is appropriate for the Target LLC (rather than each of member A and member B) to file as the acquired person because, at the time of the closing, no person will control the Target LLC and, as such, it will be the ultimate parent entity and the appropriate person to make the filing.

Thank you in advance for your consideration of this question. Please feel free to call or send me an email if you have any questions or need any additional information.

Regards,

AGNEE
B
11/7/11



CONFIDENTIALITY NOTICE: The information contained in this e-mail communication and any attached documentation may be privileged, confidential or otherwise protected from disclosure and is intended only for the use of the designated recipient(s). It is not intended for transmission to, or receipt by, any unauthorized